AIRBUS
H1 2019
ROADSHOW PRESENTATION

Paris
1 October 2019
SAFE HARBOUR STATEMENT

DISCLAIMER

This presentation includes forward-looking statements. Words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may” and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements made about strategy, ramp-up and delivery schedules, introduction of new products and services and market expectations, as well as statements regarding future performance and outlook. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include but are not limited to:
- Changes in general economic, political or market conditions, including the cyclical nature of some of Airbus’ businesses;
- Significant disruptions in air travel (including as a result of terrorist attacks);
- Currency exchange rate fluctuations, in particular between the Euro and the U.S. dollar;
- The successful execution of internal performance plans, including cost reduction and productivity efforts;
- Product performance risks, as well as programme development and management risks;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Competition and consolidation in the aerospace and defence industry;
- Significant collective bargaining labour disputes;
- The outcome of political and legal processes including the availability of government financing for certain programmes and the size of defence and space procurement budgets;
- Research and development costs in connection with new products;
- Legal, financial and governmental risks related to international transactions;
- Legal and investigatory proceedings and other economic, political and technological risks and uncertainties.

As a result, Airbus’ actual results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

For a discussion of factors that could cause future results to differ from such forward-looking statements, see the 2018 Airbus SE Registration Document dated 29 July 2019, including the Risk Factors section.

Any forward-looking statement contained in this presentation speaks as of the date of this presentation. Airbus undertakes no obligation to publicly revise or update any forward-looking statements in light of new information, future events or otherwise.

Rounding disclaimer:
Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.
AIRBUS AT A GLANCE – AS OF FY18

Consolidated Airbus
External Revenue by Division

€ 63.7 bn

- Airbus 74%
- Helicopters 9%
- Defence and Space 17%

- t/o defence € 9.9 bn

Airbus

Passenger Aircraft, Freighter Conversion, Services

Deliveries by Programme (units)

- A320 78%
- A350 12%
- A330 6%
- A220 3%
- A380 1%

Helicopters

Civil / Parapublic and Military Helicopters for a wide range of missions, Support and Services

Defence and Space

Military Aircraft, Space Systems, Comms, Intelligence and Security, Unmanned Aerial Systems

External Revenue Split

- Platforms 59%
- Services 41%

External Revenue Split

- Platforms 70%
- Services 30%
H1 2019 **HIGHLIGHTS**

- Robust commercial aircraft environment
- H1 2019 financials mainly reflect A320 ramp-up and neo transition
- Focus on securing FY deliveries, which remains challenging
- On that basis, 2019 Guidance maintained
### H1 2019 COMMERCIAL POSITIONING

#### Consolidated Airbus Order Book by Division

<table>
<thead>
<tr>
<th>Division</th>
<th>Order Intake (net)</th>
<th>Order Book</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Airbus</strong> (in units)</td>
<td>88</td>
<td>7,276</td>
</tr>
<tr>
<td><strong>Helicopters</strong> (in units)</td>
<td>123</td>
<td>697</td>
</tr>
<tr>
<td><strong>Defence and Space</strong> (in € m)</td>
<td>4,220</td>
<td></td>
</tr>
</tbody>
</table>

#### Consolidated Airbus External Revenue by Division

- **€ 30.9 bn** t/o defence
- **€ 4.1 bn**

- Airbus: 77%
- Helicopters: 7%
- Defence and Space: 16%

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- **AIRBUS**: 213 gross orders, incl. 151 new orders at Le Bourget. 88 net orders. Backlog: 7,276 a/c
- **HELICOPTERS**: 123 net orders incl. 23 NH90 and 11 H145 in Q2
- **DEFENCE AND SPACE**: Order intake € 4.2 bn, incl. A400M DIRCM for German Air Force and Global Support Step 2. Key contract win in Space

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**AIRBUS**
A ROBUST COMMERCIAL AIRCRAFT ENVIRONMENT

Notes: Passenger aircraft (≥100seats), Freighters (>10t) | Rounded figures to nearest 10
Source: Airbus GMF 2019
Box sizes for illustrative purposes only

- **2019**
  - Fleet in service: 22,680
  - Grow: 25,000
  - Replace: 14,210
  - Stay: 8,470

- **2038**
  - Deliveries: 39,210
  - New deliveries: ~39k

**Strong & Resilient passenger traffic growth:**
~40% of deliveries for replacement, ~60% for growth
LONG-TERM GROWTH FUELLED BY MIDDLE-CLASS EXPANSION IN EMERGING ECONOMIES

2018 trips per capita

Source: Sabre, IHS Markit, Airbus GMF 2019
Equivalent amount of passengers flying from/to/within the country

2018 real GDP per capita
(2015 $US thousands at Purchasing Power Parity)
Solid and well diversified Backlog*
7,276 aircraft

Airbus backlog* aligned with regional needs and demand forecast

* Commercial aircraft
8% of undisclosed customers
Growing backlog while ramping-up deliveries to meet customer demand

*Cancellations (excluding conversions) / backlog*
Demand impacted by softness in O&G
LT market potential: ~ 22k new h/c in next 20 years
UAM new market

Product renewal strategy: H135, H145, H160, H175
Wide mission coverage

Military market supported by growing Defence budgets
Successful campaigns in 2018

Unique product offering addressing wide range of missions and classes
Military offers based on proven Civil technology

Renewed product portfolio and global market presence
**DEFENCE AND SPACE: MARKET AND PRODUCT POSITIONING**

**MILITARY AIRCRAFT**
- Geopolitical instability leading to increased security needs
- Defence spending at all time high with further growth expected
- Defence investment cycles to kick-start in European markets

**SPACE SYSTEMS**
- Space spending on the rise
- Dynamic shift of space market (new space economy, constellations, exploration)
- Future ambitions of national space agencies and ESA

**CIS***
- National sovereignty demands digital solutions, secured connectivity and cyber protection
- Security and information as a service
- Disruptive business driven by AI, Big Data and Advanced Analytics

**UAS***
- Strong need for investment and promising growth potential
- New multi-national European collaborative programme
- Services verticals will offer increasingly interesting prospects

**MARKET**
- Strategic Air Mobility, Tactical and Multi-Mission Military Aircraft
- Evolution of Combat Air Systems (Future Combat Air Systems)
- Expanding services business with focus on digitalisation

**PRODUCTS**
- Telecommunications, Earth Observation, Navigation and Science Satellites
- Constellations (e.g. OneWeb)
- Manned and unmanned space systems for orbital infrastructure
- On-Orbit Services Solutions

- Develop and scale digital services and solutions
- Cyber Security (Stormshield)
- Intelligence (C5ISR, Pléiades Neo & OneAtlas)
- Secure Connectivity (Network For The Sky)

- MALE Intelligence, Surveillance & Reconnaissance needs (European Male)
- Solar powered High Altitude Pseudo Satellite (Zephyr)
- UAS turnkey service solution
- Urban Air Mobility

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*CIS: Communication, Intelligence and Security
*UAS: Unmanned Aerial Systems

**Strengthening core product portfolio and expanding the smart-digital services business**
LEVERAGING DIGITAL IN ALL AREAS OF OUR BUSINESS

Skywise

Data exploitation

Connectivity

Driving further industrial efficiency

Improving reliability of assets in use for customer benefit

Generating new business opportunities
KEY PROGRAMME UPDATE

- Programme fully consolidated into Airbus since July 1st 2018
- 78 aircraft now in operation. Customer interest confirmed with 95 firm orders and commitments at Le Bourget
- Focusing on commercial momentum, production ramp-up and cost reduction

A220

- Backlog of 5,800+ aircraft supports our ramp-up. Preparing for rate 63 in 2021
- Continuing to study potential further rate increases beyond 2021
- ACF ramp up in H2’19 remains challenging

A320

- Progressing on Neo transition—working closely with engine partner and suppliers to deliver in line with customer commitments
- A330-800 flight test campaigns progressing

A330

- Rate 10 reached in Q4’18 – stabilising production at current rates including -1000 ramp-up

A350

- Progressing on Programme wind-down and securing in-service support for the next decades

A380

- Continuing with development activities as agreed in the revised capability roadmap
- Retrofit activities advancing in line with customer agreed plan
- Contract Amendment signed with OCCAR. Anticipated impact reflected in FY’18 results.
H1 2019 FINANCIAL PERFORMANCE

Revenues in € bn

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>25.0</td>
<td>30.9</td>
</tr>
</tbody>
</table>

EBIT Adjusted in € bn / RoS (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1.2</td>
<td>2.5</td>
</tr>
<tr>
<td>RoS</td>
<td>4.7%</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

EPS(1) Adjusted in €

<table>
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<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.96</td>
<td>2.25</td>
</tr>
</tbody>
</table>

FCF before M&A and Customer Financing in € bn

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>(4.0)</td>
<td>(4.0)</td>
</tr>
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</table>

(1) H1 2019 Average number of shares: 776,291,117 compared to 774,129,413 in H1 2018
Capitalised R&D: € 45 m in H1 2019 and € 40 m in H1 2018
H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018
H1 2019 PROFITABILITY

**EBIT Performance**
in € bn

- **H1 2019 EBIT Reported** of € 2.1 bn
- **H1 2019 EBIT Adjustments** resulting from:
  - € – 208 m Defence export ban
  - € – 136 m A380 programme cost
  - € – 90 m Others
  - € – 2 m PDP mismatch / BS revaluation
- **H1 2019 Net Adjustments** of € – 436 m

**EPS(1) Performance**
in €

- **H1 2019 Net Income** of € 1,197 m
- **H1 2019 Net Income Adjusted** of € 1,750 m
- **H1 2019 tax rate on core business is 27%**

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(1) H1 2019 Average number of shares: 776,291,117 compared to 774,129,413 in H1 2018
Capitalised R&D: € 45 m in H1 2019 and € 40 m in H1 2018
H1 2019 figures include A220, consolidated into Commercial Aircraft as of July 1st, 2018
In H1 2019, $19.6 bn\textsuperscript{(1)} of new Forwards were added at an average rate of €1 = $1.22

$13.1 bn\textsuperscript{(1)} of hedges matured at an average rate of €1 = $1.27

Hedge portfolio\textsuperscript{(1)} 30 June 2019 at $87.4 bn (vs. $81.9 bn in Dec. 2018), at an average rate of $1.23\textsuperscript{(2)}

In H1, $4.1 bn of hedges rolled-over intra-year to align with backloaded delivery profile

Approximately 60% of Airbus US$ revenues are naturally hedged by US$ procurement. Graph shows US$ Forward Sales and Collars. Hedge rates reflect EBIT impact of the US$ hedge portfolio.

\textsuperscript{(1)} Total hedge amount contains $/€ and $/£ designated hedges; \textsuperscript{(2)} Blended Forwards and Collars rate includes Collars at least favourable rate.
H1 2019 CASH EVOLUTION

Free Cash Flow before M&A : € - 4.0 bn
t/o Customer Financing: € 0.0 bn

Free Cash Flow before M&A and Customer Financing € - 4.0 bn

Net Cash position Dec. 2018
IFRS 16 Implementation
Gross Cash Flow from Operations
Change in Working Capital
Cash used for investing activities before M&A
M&A
Shareholder Return
Pensions & Others
Net Cash Position June 2019

IFRS 16 implemented January 1st, 2019

(1) Thereof Capex of € – 0.9 bn
(2) M&A transactions include acquisitions and disposals of subsidiaries and businesses
(3) Excludes M&A of € – 0.1 bn
(4) Includes change in liability for puttable instruments of € + 0.2 bn
2019 GUIDANCE

As the basis for its 2019 guidance, Airbus expects the world economy and air traffic to grow in line with prevailing independent forecasts, which assume no major disruptions.

Airbus 2019 Earnings and FCF guidance is before M&A.

- Airbus targets 880 to 890 commercial aircraft deliveries in 2019.

- On that basis:
  Airbus expects to deliver an increase in EBIT Adjusted of approximately +15% compared to 2018 and FCF before M&A and Customer Financing of approximately € 4 bn.
KEY PRIORITIES

- Deliver on 2019 commitments
- Ramp-up A320
- Improve A350 margins
- Improve programme execution across businesses
- Services, Digital and Innovation

Deliver Earnings and FCF growth potential
DEVELOP EPS & FCF GROWTH POTENTIAL

2018 - 2021

- EPS Growth
  - A320neo Volume & Price
  - A350 Turning Profitable
  - Boost Competitiveness
  - Investment in Digital & Innovation

- FCF Growth
  - EPS Growth
  - A400M*
  - A220**
  - Working Capital Control

- Future Growth Potential
  - A350 Margin improvement
  - A320 Higher Rate potential
  - Boost Competitiveness

- A400M will continue to weigh until 2021.
- A220 will continue to weigh until 2021. Partnership funding arrangement not included in FCF
- Box sizes for illustration purpose only